

STATE OF ALASKA  
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT  
DIVISION OF BANKING AND SECURITIES

In the matter of: )  
CMG Mortgage, Inc. d/b/a ) ORDER NO: 17-8-C  
CMG Financial ) ORDER IMPOSING CIVIL PENALTIES  
AND  
NMLS #1820 ) CONSENT TO ORDER  
Respondent. )

The Department of Commerce, Community, and Economic Development, Division of Banking and Securities (“Department”) has conducted an examination of the business operations of CMG Mortgage, Inc. d/b/a CMG Financial (“Respondent”) and has determined that Respondent violated certain provisions of AS 06.60 *et seq.* (“the Alaska Secure and Fair Enforcement for Mortgage Licensing Act of 2010 – the Alaska SAFE Act”).

Respondent agrees that the Department has jurisdiction over it and this matter pursuant to the Alaska SAFE Act.

Respondent wishes to resolve and settle this matter with the Department. As evidenced by the authorized signature on this Order, Respondent consents to the entry of this Order imposing civil penalties based on the Conclusions of Law and Order. Respondent waives its right to hearing under AS 44.62 *et seq.* (the Alaska Administrative Procedure Act) and the Alaska SAFE Act.

**I. FINDINGS OF FACT**

1. Respondent is a corporation organized under the laws of the State of California, and has a physical address of 3160 Crow Canyon Road, #400, San Ramon, California 94583.



1 in AS 06.60.990(23).

2 2. Respondent violated AS 06.60.159(a) by employing Ballon as a mortgage loan  
3 originator when Ballon originated a loan in Alaska without holding an Alaska mortgage loan  
4 originator license.

5 3. Respondent violated AS 06.60.340(8) by assisting Ballon in conducting business  
6 in Alaska when he did not have a license to originate loans in Alaska.

7 4. Respondent violated 3 AAC 14.415 by failing to supervise Mr. Ballon when he  
8 originated a loan in Alaska without a license.

9 5. Respondent is subject to a civil penalty under AS 06.60.100(b) and AS 06.60.420 for  
10 violating AS 06.60.159(a), AS 06.60.340(8), and 3 AAC 14.415.

### 11 III. ORDER

12 Pursuant to the Alaska SAFE Act and on the basis of the Findings of Fact,  
13 Conclusions of Law and Respondent's consent to the entry of this Order, the Department  
14 ORDERS Respondent to:

- 15 1. CEASE and DESIST from allowing employees to originate mortgage loans without an  
16 originator license in Alaska;
- 17 2. Comply with the Alaska SAFE Act and associated regulations; and
- 18 3. Pay a civil penalty in the amount of \$4,000,<sup>1</sup> due immediately.

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24 <sup>1</sup> The civil penalty is calculated as follows: \$1,000 for violation of AS 06.60.159(a), \$500 for violation of AS 06.60.340(8), and \$2,500 for violation of AS 3 AAC 14.415.

1 //

2 4. This Order is a publicly disclosable document and is reportable to the NMLS.

3 **IT IS SO ORDERED.**

4 Chris Hladick, Commissioner  
5 Department of Commerce, Community  
6 and Economic Development

7 March 3, 2017  
8 Date

9 /s/ Kevin Anselm  
10 Kevin Anselm, Director  
11 Division of Banking and Securities

12 **Consent to Entry of Order**

13 I, Kim Callas, state that I am the Executive V.P. for  
14 CMG Mortgage, Inc. (“Respondent”); that I am authorized to act on its behalf; that I have  
15 read the foregoing Order; and that I am aware of the right to a hearing and appeal in this  
16 matter, and have waived the same.

17 Respondent admits to the jurisdiction of the Department of Commerce, Community  
18 and Economic Development, Division of Banking and Securities (“Department”) and further  
19 consents to entry of this Order by the Department as settlement of the issues contained in this  
20 Order. Respondent admits violation of the Alaska SAFE Act.

21 Respondent understands that the Department reserves the right to take further actions  
22 to enforce this Order or to take appropriate action upon discovery of other violations of the  
23 Alaska SAFE Act, and that Respondent will fully comply with the terms and conditions of  
24 this Order, the Alaska SAFE Act and associated regulations.

1 Respondent enters into this Order voluntarily and understands that this Order is a public  
2 document and is reportable to the NMLS.

3  
4 2/24/17  
Date

/s/ Kim Callas  
CMG Mortgage, Inc.

5  
6 By: Kim Callas  
Title: Executive Vice President

7 SUBSCRIBED AND SWORN TO before me this 24th day of February, 2017 at  
8 San Ramon, CA.

9  
10 /s/ Sara L. Reed  
Notary Public in and for California

11 Sara L. Reed  
Notary Printed Name  
12 My commission expires: 11/13/20

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14  
15 Contact Person:  
16 Tracy Reno  
Financial Examiner III  
17 (907) 269-8112  
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